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26 June 1986	
Japan: Double Election Preview	25 X 1
Summary	
Prime Minister Nakasone's success in outmaneuvering his conservative party rivals, dissolving the Diet, and calling joint upper and lower house elections on 6 July represents an important tactical gain for the Prime Minister. But he needs a "victory" for his Liberal Democratic Party (LDP)viewed by many as requiring a substantial gain of lower house seatsto stay on after his term expires this fall. Even without a renewed mandate from the party, Nakasone could use a solid LDP showing to improve his leverage in the bargaining that will choose his successor and to increase his influence in the ruling party after he steps down. At this point, however, Japanese political observers see the LDP making only modest gains. Most political commentators believe an	
This memorandum was prepared by Office of East Asian Analysis. Information available as of 26 June 1986 was used in its preparation. Comments and queries are welcome and may be directed to the Chief, Japan Branch, Northeast Asia Division,	25 X 1
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outcome along these lines would aid Foreign Minister Abe and Finance Minister Takeshita in their bids to succeed Nakasone. An addition of only a few seats also could make Nakasone the target of considerable criticism from his opponents. We would not expect any major policy shifts to occur as a result, but the political consequences of the election would limit his leadership role on trade and defense issues.

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Fight Over Double Elections

After weeks of intense, behind-the-scenes political maneuvering, Prime Minister Nakasone earlier this month ordered the Diet into special session, promptly dissolved it, and called a lower house election to coincide with the regular upper house contest on 6 July. This outcome--an apparent turnabout given the extent of the criticism leveled at Nakasone for his performance at the Tokyo summit--enabled the Prime Minister to implement his long-standing plan to call Diet elections before the end of his term. Nakasone's primary motive in pushing for a lower house contest--and the obvious reason his opponents within the party tried to block it--is to boost his chances in the fall party presidential election. If the party recoups most of the 36 seats lost in the December 1983 election, Nakasone could claim enough credit to attempt to get the party to change its rules so that he could extend his second two-year term as LDP president-and hence prime minister--beyond October.

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Although Nakasone has publicly denied any interest in remaining in office beyond October, virtually all Japanese political observers believe that a big LDP victory would give him leverage over his future. With the election victory in hand, he could seek to change party rules to allow a third term, or try to extend his current term--ostensibly to fulfill his political agenda--perhaps for as little as six months. Indeed, Nakasone's rivals within the LDP--led by former Prime Ministers Suzuki and Fukuda--have bitterly opposed holding double elections, implying their recognition of the advantages a victory could confer on the Prime Minister.

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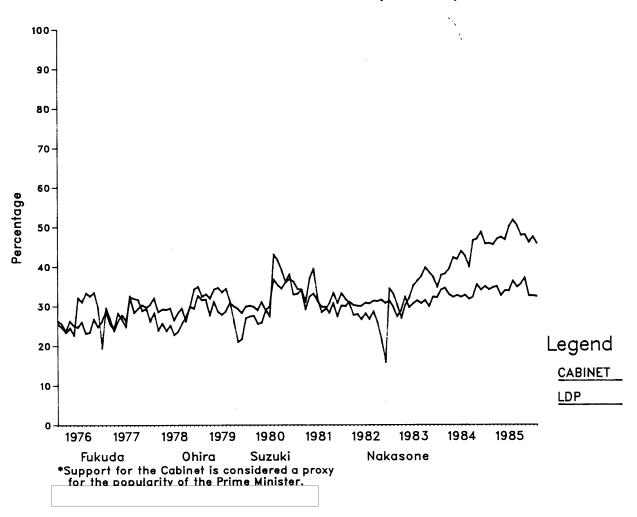
Although the July contest is a double election, most of the attention will be focused on the lower house, which elects the prime minister and has final authority over legislation and the budget. Moreover, the LDP's majority in the upper house is not seriously threatened (see Appendix I).

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A Mixed Bag of	Campaign Issues
Japanese contex more of a facto it will help or	unusual high-profile political imagein the tmay make his policy record and leadership style r in the upcoming election than is usual. Whether hurt the party is tough to call at this point.
efforts to incr for Japan to "e	parties are criticizing the Prime Minister's ease defense spending and his nationalistic call nd the postwar era" by assuming a greater role in al arena
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efforts to incr for Japan to "e the internation But opinion pol an internationa efforts to stre Japanese public The bread- are most vulner	ls consistently show both that Nakasone's image as a statesman is popular and that some of his amline the government are well received by the (see Figure 1). and-butter issues on which Nakasone and the LDP able, in our view, are the rapid appreciation of has risen 40 percent relative to the dollar since

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-- Taxes remain a potentially hot campaign issue. The opposition is charging Nakasone with secretly planning to

LDP versus Cabinet Popularity*



raise taxes after the elections, although the Prime	
Minister has pledged not to impose new taxes and declared	1
he will retain Japan's popular tax-free savings account	
system. The opposition's strategy is to recreate fears	
present during the 1979 election campaign, when an ill-	
timed announcement on a proposed value-added tax hurt the	3
LDP's performance at the polls.	

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Election Strategy

How well the LDP does in the upcoming election probably will depend as much on election tactics as it does on campaign issues. In Japan's 130 election districts for the lower house, most constituencies are represented by three to five Dietmen, with each voter voting for only one candidate. For the LDP, this complex multimember system puts a premium on running the right number of conservative candidates in each district. Because the margin of victory often is narrow, the battle for the final seat in an election district with several hundred thousand voters is sometimes decided by one or two thousand votes.

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The LDP appears to have done well this year in paring its candidate list in order to minimize competition between ruling party contenders that could split the conservative vote. This year the process of selecting official LDP candidates has been particularly difficult because of recent enactment of redistricting legislation (see Appendix II) and the party presidential election in October. Because the ruling party is comprised of competing factions whose strength within the party depends on their membership, each is attempting to push its own men for the party ticket. In many election districts, an LDP candidate's greatest threat, therefore, often is another LDP candidate from a rival faction:

-- The top contenders to succeed Nakasone--especially Abe and Takeshita--have recruited a large number of new candidates in an attempt to elect more supporters before the fall contest.

-- As in the past, some of those candidates not receiving official LDP backing, also will run as conservative independents--with the quiet approval and funding of one of the candidates in the leadership race. Past practice has seen such successful "independents" subsequently join the party immediately after the election. Analysis by the US Embassy in Tokyo indicates there are seven districts where competition from nonendorsed candidates is likely to divide the vote too finely, either threatening LDP incumbents or blocking LDP gains.

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The results of past elections show that high voter turnout is also crucial to the LDP (see Table 1). Other parties, in particular the Komeito and the Japan Communist Party, can count on well-organized, disciplined supporters to turn out the In contrast, the larger but less structured LDP does not depend to the same degree on a card-carrying membership. Instead it must attract a major share of voters, including independents, from across the political spectrum. In many cases, these voters also are the least motivated to go to the polls. In general, these factors make the ruling party's performance vulnerable to last-minute shifts in public opinion, to voter apathy, and even to poor weather on election day. Most political observers believe that a double election stands the best chance of bringing out the most voters--as it did in the only previous double election in 1980--thereby boosting the LDP's fortunes.

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LDP Prospects: The Numbers Game

In Japan, as elsewhere, predictions are subject to considerable change by election day, but most opinion polls currently show the LDP double election strategy probably will secure a simple majority of 257 seats for the party and could run its lower house total as high as 265 seats. This range is consistent with

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recent US Embassy district-by-district election analysis (see Table 2). The projections of moderate gains, rather than the dramatic increases achieved in the 1980 double election, appear to rest on the following assumptions:

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 $^{^2}$ The added complexity of a double election probably also favors the LDP by straining the budget of the smaller opposition parties and making it more difficult for opposition parties to coordinate election strategies in order to avoid head-to-head competition. or in some cases to endorse each other's candidates.

Table 1

Japan: Outcomes of Recent Elections

Election Date	Prime Minister	Factors in LDP Performance	LDP Candidates ¹	Voter Turnout (Percent) ²	Seats Won by LDP
December 1976	Miki	LDP hurt by arrest of former Prime Minister Tanaka on bribery charges. Intraparty feuding also harmed LDP.	320	73	249
October 1979	Ohira	Prime Minister's advocacy of indirect tax cost the LDP votes.	322	68	248
June 1980	Ohira	Japan's first "double election" yielded high turnout. Ohira's death 10 days before election also led to large sympathy vote		75	284
December 1983	Nakasone	Election came shortly after Tanaka found guilty and thus "ethics" question dominated election. Voter turnout down because of cold, rainy weather.	339	68	250

¹ Conventional wisdom holds that LDP does best when it runs less than 320 candidates.

A high voter turnout--above 70 percent--has historically benefitted the LDP.

Table 2

Japan: Party Prospects in 1986 Lower House Elections

<u>Party</u>	Current Seats	No. of Candidates	Goals and Prospects
Liberal Democratic Party (LDP)	249	317	Likely to regain simple majority (257 seats) but will face uphill battle in capturing 271 seatsadditional conservatives will join party after election.
Japan Socialist Party (JSP)	110	138	Does not expect dramatic change in seats won or lostneeds good election showing to give new moderate platform credibilitya dip to under 100 seats could result in Chairman Ishibashi's resignation.
Komeito	59	61	Hopes to protect gains made in 1983.
Democratic Socialist Party (DSP)	37	56	Prospects for a good DSP showing are slimone party member recently charged in bribery caseseveral members in poor health with no viable replacements.
Japan Communist Party (JCP)	27	129	At best will maintain status quo.
New Liberal Club (NLC)	8	12	Must retain current strength if it is to remain viable coalition candidatesome observers predict party will capture only 3-4 seats.
Independents	7	105	
Others	3	20	
Vacancies	_11_		
Total	511	838	

- -- Despite the preelection campaigning to date, the public has yet to show great interest in any of the campaign issues, evidencing a lack of drama in the ruling party's pitch that could depress voter turnout.
- -- The LDP may also have been overly optimistic about the effects of a double-election strategy. Voter turnout in any case is unlikely to be as high as in 1980, when Prime Minister Ohira's death during the campaign engendered a large sympathy vote. Moreover, the election is set for a peak rice harvesting period and this could keep some agricultural supporters of the LDP from the polls.
- -- The 257-265 range in lower house seats is in line with historic trends and probably is a realistic estimate of true LDP strength. Except in 1980, the LDP has failed to capture 271 seats in any election since 1972.

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Although political commentators do not now expect the LDP to secure the 271 seats it needs to ensure control of all the Diet standing committees--the so-called "stable majority"

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Few Japanese analysts at present expect this level of success, but there are several conditions that could push up the LDP showing:

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- -- For the LDP, Prime Minister Nakasone is a unique political asset, enjoying exceptionally high standing in opinion polls. If his popularity can be translated into votes for the numerous LDP candidates who barely lost in the last election, when the party ran too many aspirants, the "coattail effect" could help considerably.
- -- LDP strategists have done well in holding new endorsements to a low level. (Press reports indicate they have cut prospective candidates from over 400 to a more manageable 320). If they also have assessed local conditions in individual election districts well and chosen strong new contenders to replace the 36 LDP Dietmembers--an unusually high number--who have died or retired since 1983, the party could attract voters who like the notion of a generational change and new leaders, 25X1 in the LDP.

Alternatively, a last-minute gaffe by Nakasone or exposure of a major scandal involving key LDP leaders could push the LDP below the 250 mark. With more new candidates than usual this year, the party could be hurt by relatively minor incidents that shift the public mood at the last minute. For example, LDP campaign managers cringed earlier this month when, in a widely publicized campaign speech, Nakasone called the opposition parties "kindergartners" -- the kind of remark that could sour

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opinion about the party because of its perceived "arrogance" and perhaps incline potential voters to stay away from the polls. Additionally, planned face-to-face campaign debates--highly unusual in Japanese politics--between Nakasone and the leaders of the opposition parties are an unknown campaign factor. If the LDP does so poorly that Nakasone is forced to step down before the end of his term, it would open the door for LDP Vice President Nikaido--or perhaps LDP Executive Council Chairman Miyazawa--to take over as prime minister until the October balloting for party president.

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Implications...

...for Nakasone

If the LDP fails to gain a lower house majority, the pressure is likely to be overwhelming for Nakasone to resign. The consequences of an LDP "victory" for Nakasone are tougher to assess. As in previous elections, debate within the LDP over what constitutes "victory" has produced a wide range of numbers, depending on who is asked. Nakasone naturally wants the public to think that a simple majority will suffice. His would-be successors, however, are attempting to establish a much higher standard for his success (see Table 3).

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A good showing--over 270 seats, for example--would keep alive the possibility that Nakasone could win agreement among party power-brokers to extend his term. The odds of an extension would increase considerably if a deadlock developed over choosing a successor. Short of enabling him to stay on, a double election victory also could give Nakasone more leverage in the fall LDP leadership contest. Whether he could--or would--choose to play a major role in party policy formulation in a post-Nakasone era would depend on both the strength of his own following as well as on his own personal political agenda. But a good showing for the LDP in the Prime Minister's election swansong would maximize his chances to play such a role and, under the right circumstances, even to aspire to a comeback if his successor falters.

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If the LDP wins a simple majority but little more-the outcome that at present seems most likely--Nakasone's leverage would be correspondingly reduced. Although he could probably survive any attempt to oust him before the end of his term, the showing probably would not be enough to help Nakasone stay in office beyond October. Under the circumstances, Nakasone would probably become a lame duck, further weakening his policymaking role on key issues.

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...for the LDP Presidential Race

The leading contenders to succeed Nakasone---Takeshita, Abe, and Miyazawa--all hope the upcoming election will strengthen

Table 3

Japan: Alternative Yardsticks of an LDP Election Victory

Lower House Seats	Significance	Proponents of this Yardstick
284	Level attained in 1980 double election.	Anti-Nakasone leaders who opposed holding electionsincluding former Prime Minister Suzuki and former State Minister Komotoare attempting to create unrealistically high expectations to position themselves for post-election criticism of Nakasone.
271	Working majorityallows LDP to control chairmanship of all standing committees.	Target proposed by Foreign Minister Abe and Vice President Nikaido. Also original goal voiced by Prime Minister Nakasone, Secretary General Kanemarusince revised downward.
257	Simple Diet majority.	Suggested by Nakasone, Kanemaru, Finance Minister Takeshita, and Chief Cabinet Secretary Gotoda as a suitable measure of victory.
249	LDP strength at dissolution.	(No real proponents of this yardstick. A showing below 250 would be considered a defeat.)

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their position in the LDP presidential sweepstakes (see Table 4). How their respective factions fare, and whether the new candidates they have sponsored win Diet seats, will be an important measure of their prospects. Most political observers believe these "new leaders," especially Takeshita and Abe, see this election as an opportunity to consolidate their factional standing. All of the would-be prime ministers have mentors who still control their factions. From this vantage point, the election could help the new leaders by bringing further "generational change"-that is, encouraging the old faction leaders to step aside.

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Nakasone's aspiring successors is tough to call.

political commentators believe a good LDP
showing would reduce the influence of the old guard politicians

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showing would reduce the influence of the old guard politicians who opposed holding double elections. In time, this would aid Abe's and Takeshita's consolidation of power and thus help them in their race to succeed Nakasone. The best chance for Miyazawa to succeed Nakasone, according to these observers, will occur if the LDP does poorly in the election. Miyazawa, the oldest of the three, has been highly critical of Nakasone's economic policies and of his call for a double election. He has thus positioned himself to take advantage of a misstep by the Prime Minister.

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...for the LDP

In our view, there are no signs to suggest that the Liberal Democratic Party will lose or gain enough seats in the upcoming Diet elections to significantly change its dominant position in Japanese politics. However, if the LDP does poorly, and the election results are seen as a defeat for Prime Minister Nakasone, it will reduce his power to push the LDP and the bureaucracy on such key issues as trade and defense during the remainder of his term. On the other hand, if the LDP recaptures a Diet majority, it will eliminate the need for a coalition with the New Liberal Club, although not the requirement or, in our judgment, the pattern of cooperation between the ruling party and the opposition moderates that has been evident since the mid-1970s.

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Another point of interest with respect to the LDP power struggle is the contest between Nakasone's son-a new candidate-and former Prime Minister Fukuda's younger brother for an upper house seat in Gumma prefecture. If Fukuda's brother is not reelected, many Japanese believe it will be read as a sign the influence of the older generation of faction leaders like Fukuda is fading.

Table 4

Liberal Democratic Party Factions: Election Outlook

FACTION	Contenders for LDP President	Strength Diet Members	Goals and Prospects
TANAKA	Takeshita	120*	In best position to gain from election. Own members see it winning an additional 5-8' lower house seats. Takeshita views Diet contest as an opportunity to consolidate control over faction.
SUZUKI	Miyazawa	80	Suzuki and Miyazawa both strongly opposed double elections. Suzuki not optimistic about faction's prospects. Poor factional showing will hurt Miyazawa's bid for prime minister.
FUKUDA	Abe	72	Abe sees election as a chance to strengthen grip on faction. New candidates sponsored by Abe are not as strong as Takeshita's.
NAKASONE	Nakasone	64	Seen by other faction as likely to win additional seats.
KOMOTO		35	Weakened by financial ills of leader. Poor showing could threaten faction's survival. At best will maintain status quo.

^{*}Does not include 10 pro-Tanaka LDP independents.

...and for the United States

Unless a clear favorite emerges in the LDP presidential race after the election--a possibility we believe is unlikely until just before the October party election--succession politics will increasingly preoccupy the LDP. Some government ministries have already hinted that this may well prove to be a cause, or an excuse, for inaction in negotiations. In particular, work on bilateral market-opening trade negotiations--such as agricultural liberalization or planned talks on auto parts--that require an LDP decision to sacrifice specific domestic interests for the larger US-Japan relationship may be more difficult. Potentially controversial decisions, such as Japanese participation in SDI, may also be delayed if they become embroiled in the LDP succession struggle.

Appendix I

	Upper House Elections
ower house race ouncillors as tole. The lower he prime ministiet. Yet, a po	of Councillors contest is less critical than the e. Although it is customary to refer to the the upper house, it in fact plays a secondary house holds the decisive controlselection of the ultimate authority over the budgetin the for showing by the LDP in the upper house would task of passing legislation in the Diet.
983 revamping of more difficul support behind a factor in the exconstituency electors now cast than select cand	A showing of 60 seats or better chairmanship of all upper house committees.) A of the upper house election process, which makes it for the opposition parties to pool their a joint candidate at the local level, is one expected strong LDP showing.* Although the local ections remained intact under the new system, a ballot for the party of their choice rather didates running at large in the national level ition parties no longer can rely on candidates recognition, such as actors and writers to boost
Barring any	y dramatic twists, therefore, the real battle in will be fought between the LDP's factions. Iing party's national level contest candidate list

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									on-wide	
basi	s.	Member	s serve	e a si:	x-year	term,	with	electi	ions for	half
the	hous	e held	levery	three	years	•				

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Japan: 1986 Upper House Election Factsheet

Party	Seats Up for Reelection	Seats Not Up	Current Strength	Goals and Prospects
LDP	69	69	133	Needs only 56 seats for numerical majorityhopes to increase voter support in national level contest.
JSP	22	21	42	Expects to lose 2-3 seatsa loss of 5 seats will be considered a failure for Chairman Ishibashi.
Komeito	13	14	26	Will do well in urban areas where support is strongest.
DSP	7	7	14	Expected to maintain status quo will concentrate efforts on national level contest.
JCP	7	7	14	Chances of major gains slimwill focus efforts on incumbents.
NLC	0	1	1	A gain in seats is unlikely.
Independents	6	1	5	
Others	3	6	7	
_			10	
Vacancies			10	
Tota1	126	126	252	

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Appendix II

Diet Seat Reallocation

	Diet passed a bill	
disproportionate re	presentation in the	lower house. The so-
called "8-7" plan c	alls for an increase	e of one seat each in eight
urban districtssi	x in the Tokyo metro	politan areaand a
reduction o <u>f one se</u>	at each in seven spa	rsely populated rural
districts.	-	

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Based on the 1983 election results in the districts affected by the new law, it appears that the redistricting will have little impact on the LDP's fortunes as a whole. In terms of factional politics, the change could help the Tanaka faction while working against the Nakasone faction.

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Affiliation of 1983 runnerup in districts gaining seats

Chiba 4- LDP (Tanaka)
Saitama 4- LDP (Tanaka)
Kanagawa 3- LDP (Suzuki)
Saitama 2- JSP
Tokyo 11- JCP
Osaka 3- JCP
Hokkaido 1- JCP
Chiba 1- Komeito

Affiliation of 1983 last place winner in districts losing seats

Hyogo 5- LDP (Nakasone)
Ishikawa 20- LDP (Nakasone)
Akita 2- LDP (Suzuki)
Kagoshima 3 -JSP
Niigata 4- JSP
Niigata 2- JSP
Yamagata 4- Minor party

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Double Election Preview
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